**Voting Members:** 

Ikaika Anderson, Chair; Trevor Ozawa, Vice-Chair; Carol Fukunaga, Ann H. Kobayashi, Joey Manahan

Committee Meeting Held March 31, 2016

Honorable Ernest Y. Martin Chair, City Council City and County of Honolulu

Mr. Chair:

Your Committee on Zoning and Planning, to which was referred Resolution 16-52 entitled:

"RESOLUTION APPROVING A CONCEPTUAL PLAN FOR A PLANNED DEVELOPMENT-RESORT PROJECT FOR THE REDEVELOPMENT OF 1.05 ACRES WITH A MIXED USE RETAIL, HOTEL AND RESIDENTIAL PROJECT IN WAIKIKI, OAHU,"

as transmitted by Departmental Communication No. 98 from the Department of Planning and Permitting (DPP), dated February 24, 2016, reports as follows:

The purpose of Resolution 16-52 is to approve a conceptual plan for a Planned Development-Resort (PD-R) project by MK development Consulting, LLC ("Applicant"), to redevelop 1.05 acres of land with a mixed use retail, hotel and residential project in Waikiki. The PD-R application seeks to demolish the existing King's Village, Prince Edward Apartments, and Hale Waikiki and develop a 32-story condo-hotel with approximately 213 units, seven-story podium with back-of-the-house facilities, 250 parking stalls, private park, ground floor commercial spaces, lobby, reception area, restaurant, lobby lounge and bar, multi-event spaces, executive offices, meeting facilities, outdoor dining terrace, rooftop recreational facilities, adjacent pocket park, and other site appurtenances.

#### CITY COUNCIL

CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII

**Voting Members:** 

Ikaika Anderson, Chair; Trevor Ozawa, Vice-Chair; Carol Fukunaga, Ann H. Kobayashi, Joey Manahan

Committee Meeting Held March 31, 2016 Page 2

Your Committee finds that the Waikiki Special District's PD-R provisions (ROH Section 21-9.80-4(d)) "provide opportunities for creative redevelopment not possible under a strict adherence to the development standards of the special district. Flexibility may be provided for project density, height, precinct transitional height setbacks, yards, open space and landscaping when timely, demonstrable contributions benefiting the community and the stability, function, and overall ambiance and appearance of Waikiki are produced." The Council reviews and approves a conceptual plan for a PD-R project before that project receives a more detailed review and approval from the DPP Director (see also ROH Section 21-2.110-2).

The Applicant is requesting flexibility with respect to the following:

- Maximum building height The maximum building height allowed for the underlying zoning is 240 feet. The Applicant is seeking to increase the building height by 110 feet, from 240 feet to 350 feet (which is the maximum building height for PD-R projects) in order to create a taller, more slender building to reduce the building mass and increase the view corridor.
- Maximum density For PD-R projects, the maximum allowable FAR is 4.0. The Applicant is requesting the maximum amount of floor area, which would allow the development of 258,960 square feet of floor area.
- Transitional height setbacks The LUO requires a transitional height setback of 1
  foot for each ten feet in height over 40 feet. The proposed high-rise tower will
  encroach into the transitional eight setback by 18 feet along Koa Avenue, 16 feet
  along Kaiulani Avenue, and 16 feet along Prince Edward Street.

#### CITY COUNCIL

CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII

**Voting Members:** 

Ikaika Anderson, Chair; Trevor Ozawa, Vice-Chair; Carol Fukunaga, Ann H. Kobayashi, Joey Manahan

Committee Meeting Held March 31, 2016 Page 3

4. Minimum open space – PD-R projects require a minimum open space of 50 percent of the zoning lot area, but this may be modified when beneficial public open spaces and related amenities are provided. The Applicant is proposing to provide open space equivalent to 44 percent, or 20,261 square feet, of the lot area, with beneficial public open spaces and related amenities provided.

The Applicant proposed a number of public benefits for the project. The DPP found the following to be considered public benefits:

- Improved traffic and circulation, two-way street conversion, bike racks, public transit and carpools;
- 2. Contribution of up to \$500,000 in funding for Waikiki Beach replenishment;
- 3. Contribution of up to \$200,000 in funding to ensure that certain Waikiki bathrooms remain open between 10:00 p.m. and 6:00 a.m. daily;
- 4. Contribution of up to \$100,000 in funding for the construction of accessibility and bathroom improvements at the Waikiki Community Center; and
- 5. Contribution of up to \$200,000 in funding for programs and projects to help alleviate homelessness.

CITY COUNCIL

CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII

**Voting Members:** 

Ikaika Anderson, Chair; Trevor Ozawa, Vice-Chair; Carol Fukunaga, Ann H. Kobayashi, Joey Manahan

Committee Meeting Held March 31, 2016 Page 4

Some proposals by the Applicant were deemed by the DPP to not qualify as public benefits for this project. Such proposals were:

- 1. Enhanced open space, pocket park and public amenities;
- 2. Hawaiian sense of place;
- 3. Improved and expanded landscaping;
- 4. Pedestrian circulation system;
- 5. Economic and job-creating stimulus;
- 6. Strategies for energy efficiency and environmental sustainability; and
- 7. Provision of 250 off-street parking stalls.

The DPP found that although the Applicant proposed 12 public benefits, only five were considered to be public benefits. The DPP concluded that the proposed public benefit value was not commensurate with the increased development value that will be achieved with the requested increase in density and building height. DPP therefore recommends that the Applicant provide the following additional public benefits:

 Provide a minimum of 10 percent of the surplus parking stalls available to the public. This would help to benefit the community by relieving some of the onstreet parking demand and providing parking for nearby public parks and beaches.

#### CITY COUNCIL

CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII

**Voting Members:** 

Ikaika Anderson, Chair; Trevor Ozawa, Vice-Chair; Carol Fukunaga, Ann H. Kobayashi, Joey Manahan

Committee Meeting Held March 31, 2016 Page 5

- 2. Establish, promote and maintain art and cultural programs that would be available to the general public. This could include art displays, information, kiosks, cultural events, classes, demonstrations, and exhibitions.
- 3. Promote outdoor activities along the street frontages to enhance the pedestrian experience. This could include outdoor dining for ground floor eating and drinking establishments, performance stage, outdoor entertainment, lei stands, and food carts.

Your Committee notes that the DPP, after a public hearing held on October 8, 2015, recommends approval of the conceptual plan for the PD-R subject to conditions set forth in the Attachment to Departmental Communication No. 98 (2016).

At its meeting on March 31, 2016, your Committee received testimony in support of the Resolution from representatives of ABC Stores; Cultural Surveys Hawaii; Elite Parking; Hawaii Construction Alliance; Hawaii Regional Council of Carpenters; HI-LECET; Laborer's International Union of North America Local 368; Nordic PCL Construction; One Ala Moana; The Pacific Resource Partnership; Waikiki Improvement Association; and Waikiki Neighborhood Board No. 9. Three individuals offered testimony in support. Written supporting testimony was received from representatives of Aloha Hospitality Consulting; Bank of Hawaii; Central Pacific Bank; Cirrus; First Hawaiian Bank; Hokua; IBEW Local 1186; Iron Workers Stabilization Fund; JCB International Credit Card Co., Ltd.; Kuiwalu Consulting, Inc.; Leather Soul; Odoriko Restaurant; P.F. Chang's; Roberts Hawaii; Tanaka of Tokyo Restaurants; Wang Chung's; Waikiki Business Plaza; and Y. Hata & Co. Ltd. Nine individuals submitted written supporting testimony.

#### CITY COUNCIL

CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII

**Voting Members:** 

Ikaika Anderson, Chair; Trevor Ozawa, Vice-Chair; Carol Fukunaga, Ann H. Kobayashi, Joey Manahan

Committee Meeting Held March 31, 2016 Page 6

A representative of Unite Here Local 5 offered comments and testified in opposition to the Resolution. Two individuals opposed the resolution. One individual offered comments and six individuals submitted written testimony in opposition to the Resolution.

The Councilmember of the district submitted a posted proposed CD1 to amend the benefits package offered by the Applicant; however, after discussion with the Applicant and other Committee members, he requested that the posted proposed CD1 be further amended to reflect revisions to Condition 9.

Your Committee has carefully reviewed the conditions recommended by the DPP for inclusion in this Resolution, and the proposed amendment requested by the district Councilmember, and has prepared a CD1 version of the resolution that makes the following amendments:

#### A. Amends proposed Condition 9 by:

- Deleting the requirements for contributions of: (a) \$200,000 in support of existing public restrooms, (b) \$100,000 for ADA improvements and a bathroom at the Waikiki Community Center, (c) \$200,000 (total) for homeless programs/projects or public facilities on the east side of Waikiki and (d) \$500,000 for beach replenishment and other programs to maintain and expand the east Waikiki beach area.
- Replacing the foregoing requirements with a requirement for the Applicant to make a one-time cash contribution of \$1,000,000 to fund a community benefits package.

#### CITY COUNCIL

CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII

**Voting Members:** 

Ikaika Anderson, Chair; Trevor Ozawa, Vice-Chair; Carol Fukunaga, Ann H. Kobayashi, Joey Manahan

Committee Meeting Held March 31, 2016 Page 7

- B. Makes revisions to conform to the standard language and format in previous PD-R resolutions adopted by the Council.
- C. Makes miscellaneous technical and non-substantive amendments.

Your Committee, pursuant to ROH section 21-9.80-4(d), and in agreement with the conclusion of the DPP in Departmental Communication No. 98, and with the additional Council amendments, finds as follows with respect to the conceptual plan for the proposed PD-R project, as conditioned herein:

- 1. The project concept, as a unified plan, is in the general interest of the public;
- 2. Requested project boundaries and design flexibility with respect to allowable density, height, precinct transitional height setbacks, and open space are consistent with the Waikiki Special District objectives; and
- 3. Requested flexibility with respect to allowable density, height, precinct transitional height setbacks, and open space is commensurate with the public amenities proposed.
- 4. The Primary Urban Center Development Plan established by Chapter 24, Article 2, ROH, does not establish visitor unit limits for Waikiki.

CITY COUNCIL

CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII

Voting Members:

Ikaika Anderson, Chair; Trevor Ozawa, Vice-Chair; Carol Fukunaga, Ann H. Kobayashi, Joey Manahan

Committee Meeting Held March 31, 2016 Page 8

Your Committee on Zoning and Planning is in accord with the intent and purpose of Resolution 16-52, as amended herein, and recommends its adoption in the form attached hereto, as Resolution 16-52, CD1. (Ayes: Anderson, Fukunaga, Kobayashi, Manahan, Ozawa, – 5; Noes: None.)

Respectfully submitted,

Committee Chair

At the 4/20/16 Council meeting, the Resolution was further amended and subsequently adopted as Resolution 16-52, CD1, FD1.

CITY COUNCIL

CITY AND COUNTY OF HONOLULU HONOLULU, HAWAII



#### RESOLUTION

APPROVING A CONCEPTUAL PLAN FOR A PLANNED DEVELOPMENT-RESORT PROJECT FOR THE REDEVELOPMENT OF 1.05 ACRES WITH A MIXED-USE RETAIL, HOTEL, AND RESIDENTIAL PROJECT IN WAIKIKI, OAHU.

WHEREAS, the Department of Planning and Permitting (DPP) on September 5, 2015, accepted the application (File No. 2015/SDD-37) of MK Development Consulting, LLC (herein referred to as the "Applicant"), for a Planned Development-Resort Permit (PD-R) to demolish the existing King's Village, Prince Edward Apartments, and Hale Waikiki and develop a 32-story condo-hotel with approximately 213 units, seven-story podium with back-of-house facilities, 250 parking stalls, private park, ground floor commercial spaces, lobby, reception area, restaurant, lobby lounge and bar, multi-event spaces, executive offices, meeting facilities, outdoor dining terrace, rooftop recreational facilities, adjacent pocket park, and other site appurtenances (see Exhibits A to C) (the "Project"). The Project area is identified as Tax Map Key 2-6-23: 29, 37, and 76; and

WHEREAS, on October 8, 2015, the DPP held a Public Hearing which was attended by over 75 individuals of whom 23 provided oral testimony; and

WHEREAS, the conceptual plan for the Project was presented to the DPP's Design Advisory Committee for its recommendations; and

WHEREAS, on December 7, 2015, DPP received revisions from the Applicant which substantially amended the application. The proposed revisions included changes to the configuration and orientation of the 32-story condo-hotel tower, decreased the number of units from 246 to 213, decreased the number of parking stalls from 271 to 250, increased the open space from 39% to 44%, and reduced the transitional height encroachments from 28 feet to 18 feet along Koa Avenue and from 24 feet to 16 feet along Kaiulani Avenue, and increased the transitional height encroachment up to 16 feet along Prince Edward Street. The revised high-rise tower was shifted approximately 60 feet in the mauka direction. This resulted in less encroachment into the transitional height setbacks, but increased the amount of view blockage when viewed from the Punchbowl Lookout; and

WHEREAS, on February 24, 2016, the DPP, having duly considered all evidence and reports of said Public Hearing and the review guidelines as established in Sections 21-2.110-2 and 21-9.80-4(d), of the Land Use Ordinance (LUO), completed its report and transmitted its findings and recommendation of approval to the Council by Departmental Communication 98 (2016); and



#### RESOLUTION

WHEREAS, the conceptual plan for the Project is set forth in the exhibits attached hereto as Exhibits A through C, and is further described in Departmental Communication 98 (2016), all of which are incorporated herein by this reference; and

WHEREAS, the City Council, having received the findings and recommendation of the DPP on February 24, 2016, and having duly considered the matter, desires to approve the conceptual plan for the Project, subject to the conditions enumerated below; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the conceptual plan for the Project is approved under the following conditions:

- The maximum building height shall be 350 feet. Roof forms and other rooftop appurtenances shall not exceed 18 feet, above the maximum permitted height.
- 2. The maximum density shall be equal to a floor area ratio (FAR) of 4.00.
- 3. The maximum permitted encroachments into the transitional height setbacks shall be 18 feet along Koa Avenue, 16 feet along Kaiulani Avenue, and 16 feet along Prince Edward Street.
- 4. The minimum required open space shall be 44 percent.
- 5. The Applicant shall provide additional public benefits. They shall include, but not be limited to, the following items:
  - a. Provide a minimum of 10 percent of the surplus parking stalls (as defined in condition 10) to the public.
  - b. Establish, promote and maintain art and cultural programs that would be available to the general public.
  - c. Promote outdoor activities along the street frontages to enhance the pedestrian experience.
- 6. This Project shall be considered hotel use, as defined in the LUO, and shall be operated as such.
- 7. Parcels 29, 37, and 76 shall be considered and treated as one zoning lot for development purposes.



#### RESOLUTION

- 8. The Applicant shall be responsible for the coordination and compliance with applicable public agencies and private entities for the construction of the Kaiulani Avenue two-way traffic conversion. The Applicant, through their traffic engineering consultant, shall work with the developers of the adjacent active projects to determine the fair share of the cost of the work involved in the conversion. All work must be substantially completed prior to the issuance of the temporary Certificate of Occupancy (CO).
- 9. Prior to the issuance of the final CO for the Project, the Applicant shall make a one-time cash contribution in the amount of \$1,000,000 to fund a community benefits package.
- 10. Prior to submitting any building permit applications, the Applicant shall submit <u>REVISED PLANS</u> to the DPP for its review and approval, which shall include the following:
  - a. Detailed plans for the Kaiulani Avenue two-way traffic conversion.
  - b. Detailed plans showing proposed streetscape and park improvements along Koa Avenue, Kaiulani Avenue, and Prince Edward Street.
  - c. Detailed plans showing a minimum required open space of 44 percent.
  - d. Parking plans showing a minimum of 10 percent of the surplus parking stalls available to the public. The number of surplus parking stalls shall be the number constructed minus the number of required stalls.
- 11. Upon issuance of a CO, the Project shall institute and make available to all units:
  - Full hospitality, housekeeping, building maintenance, and room services;
     and
  - b. Centralized mail and phone service.
- 12. Approval of this Resolution does not constitute compliance with other LUO or governmental agencies' requirements, including, but not limited to, landscaping, required loading spaces and building permit approval. They are subject to separate review and approval. The Applicant shall be responsible for ensuring that the final plans for the Project comply with all applicable LUO and other governmental provisions and requirements.



No. <b>16-52, CD1</b>	
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#### RESOLUTION

- 13. The Project shall receive a building permit for the proposed development within two years of the date of this resolution. Failure to obtain a building permit within this period shall render null and void this resolution and all approvals issued hereunder, provided that this period may be extended as follows:
  - a. The Director of Planning and Permitting may extend this period if the Applicant demonstrates good cause, but the period shall not be extended beyond one year from the initial deadline without the approval of the City Council, which may grant or deny the approval in its complete discretion.
  - b. If the Applicant requests an extension beyond one year from the initial deadline and the Director finds that the Applicant has demonstrated good cause for an extension, the Director shall prepare and submit to the Council a report on the proposed extension, which report shall include the Director's Findings and Recommendations thereon and a proposed resolution approving the extension. The Council may approve the proposed extension or an extension for a shorter or longer period, or deny the proposed extension, by or resolution.
  - c. If the Council fails to take final action on the proposed extension within the first to occur of: (i) 60 days after receipt of the Director's report; or (ii) the Applicant's then-existing deadline for obtaining a building permit, the extension shall be deemed to be denied.
- 14. The Project shall conform to the conceptual plan approved hereby and all conditions established herein. Any significant changes to the conceptual plan shall require a new application and approval by the Council. The Director of Planning and Permitting may approve changes to the Project that do not significantly alter the size or nature of the Project if the changes remain in conformance with the conceptual plan and the conditions herein; and

BE IT FURTHER RESOLVED that the Council finds as follows with respect to the conceptual plan for the Project, as conditioned herein:

- 1. The project concept, as a unified plan, is in the general interest of the public;
- 2. Requested project boundaries and design flexibility with respect to standards relating to precinct transitional height setbacks and open space are consistent with the Waikiki Special District objectives set forth in ROH Section 21-9.80-1 and provisions of ROH Section 21-9.80-4(d);



#### RESOLUTION

- Requested flexibility with respect to standards relating to precinct transitional height setbacks and open space is consistent with the public amenities proposed;
- 4. The public amenities proposed will produce timely, demonstrable benefits to the community and the stability, function, and overall ambience and appearance of Waikiki; and
- 5. The Primary Urban Center Development Plan established by ROH Chapter 24, Article 2, as amended, does not establish visitor unit limits for Waikiki; and



#### RESOLUTION

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to Kathryn Inouye, Manager, MK Development Consulting, LLC, 1288 Ala Moana Boulevard, Suite 201, Honolulu, Hawaii, 96814; George I. Atta, Director of Planning and Permitting, 650 South King Street, 7th Floor, Honolulu, Hawaii, 96813; Michael D. Formby, Director of Transportation Services, 650 South King Street, 3rd Floor, Honolulu, Hawaii, 96813; Michael K. Nekota, Director of Parks and Recreation, 1000 Uluohia Street, Suite 309, Kapolei, Hawaii, 96707-2040; Gary K. Nakata, Department of Community Services, 715 South King Street, Suite 311, Honolulu, Hawaii, 96813; Samuel J. Lemmo, Administrator, Office of Conservation and Coastal Lands, Kalanimoku Building, 1151 Punchbowl Street, Room 131, Honolulu, Hawaii 96813; and Caroline Hayashi, Waikiki Community Center, 310 Paoakalani Avenue, Honolulu, Hawaii, 96815.

	INTRODUCED BY:
	Ernest Martin (BR)
DATE OF INTRODUCTION:	
February 24, 2016	
Honolulu. Hawaii	Councilmembers

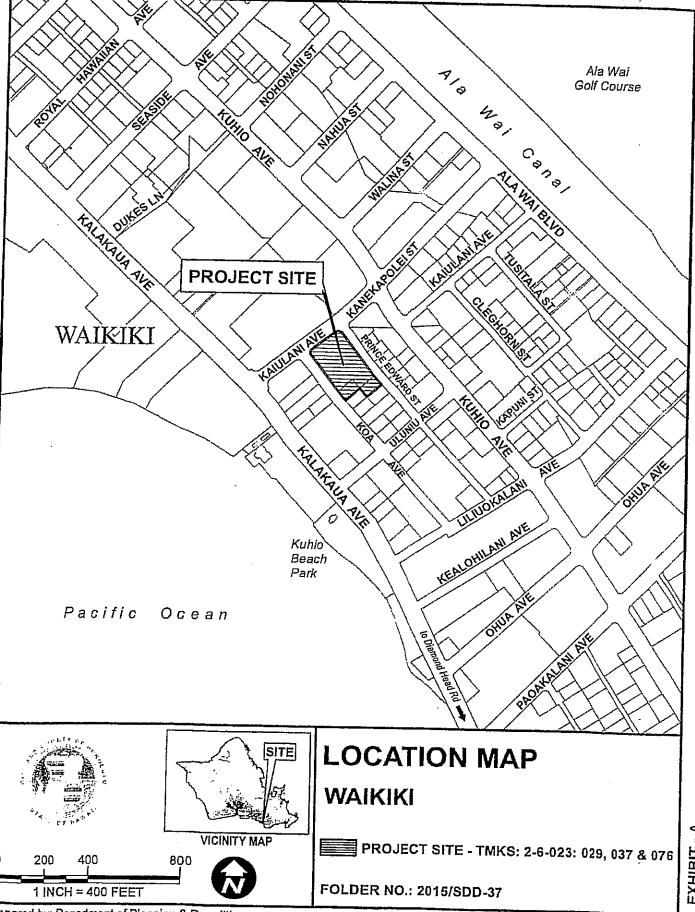
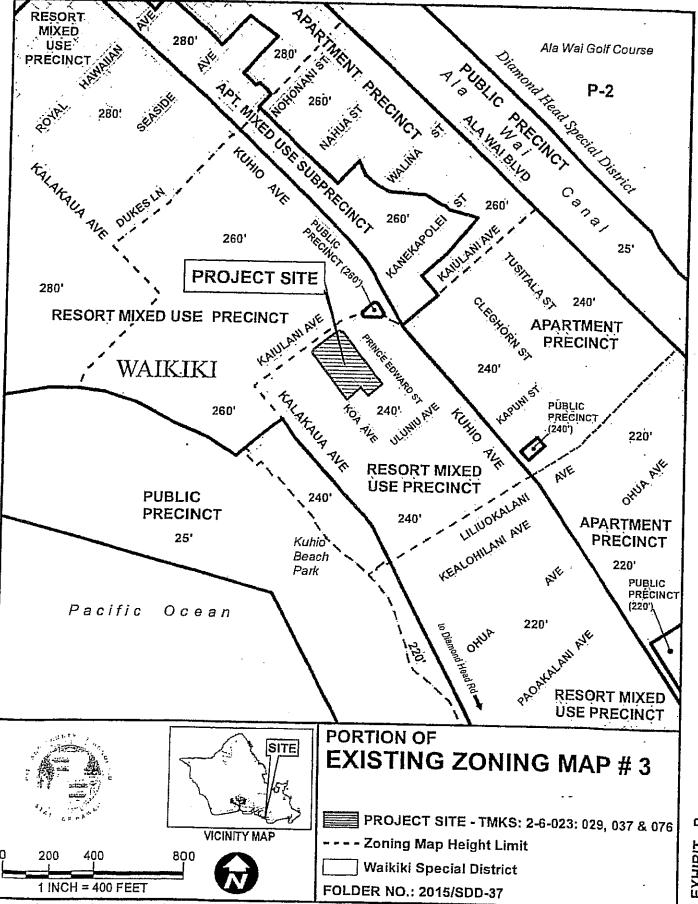


EXHIBIT - A

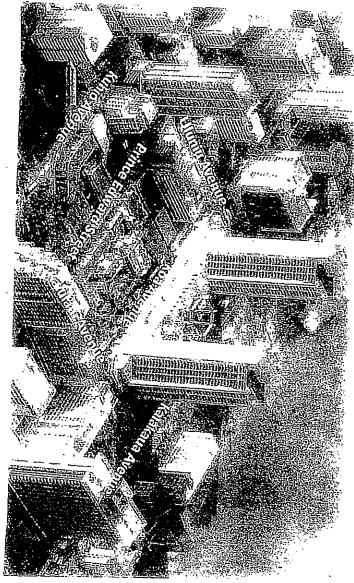


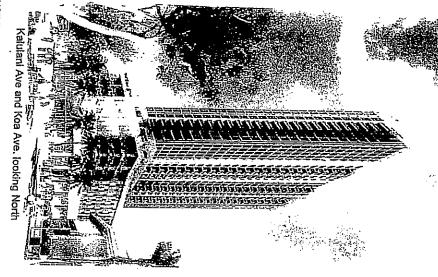
Prepared by: Department of Planning & Permitting City & County of Honolulu

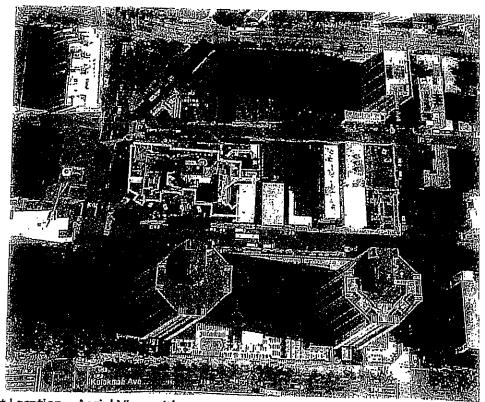
Date Prepared: August 25, 2015

Copyright City & County of Honolulu

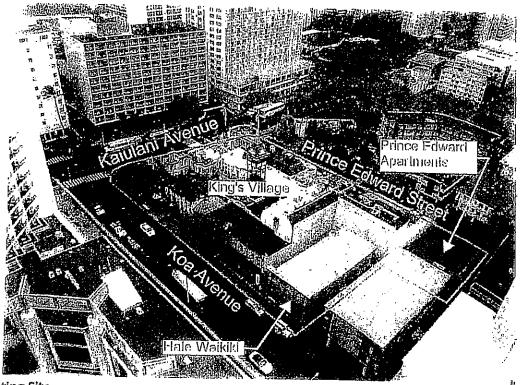
# EXHIBIT C







Project Location - Aerial View with Ground Floor Outline



Existing Site

#### Waikiki Special Design District and the Planned Development – Resort (PD-R)

The PD-R Process is an amendment to the Walkiki Special District created in 1996.

The Purpose of the PD-R is to provide opportunities for creative redevelopment not possible under a strict adherence to the development standards of the special district.

Flexibility may be provided for:

- Project density
- Height
- Precinct transitional height setbacks
- Yards
- Open Space
- Landscape

Waikiki Special District and the Planned Development-Resort

#### Planned Development-Resort Applicability

- PD-R projects shall only be permitted in the resort mixed use precinct.
  - Proposed project is within the resort mixed use precinct.
- The minimum project size shall be one acre.
  - Proposed project is 1.047 acres.

#### **Project PD-R Allowances**

# Density = 4.0 FAR Height = 350 feet Flexibility in Precinct Transitional Height Setbacks Proposed Projects Projects Projects Proposed Projects Proposed Projects Proposed Project

50% open space that can be modified
when beneficial public open spaces
and amenities are provided

Yes

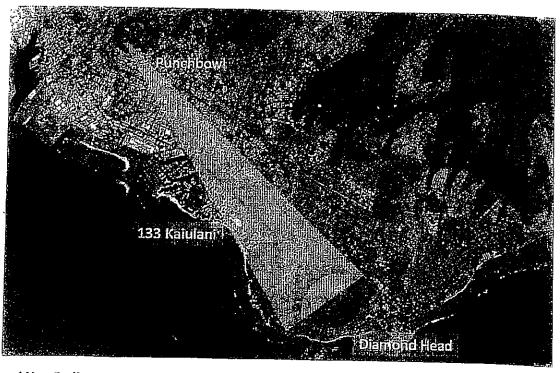


- LUO Section 21-9.80-3
  (2) Continuous ocean views along Kalakaua Avenue, from Kuhio Beach to Kapahulu Avenue
- (6) Mauka views from the portions of the following streets Mauka of Kuhio Avenue

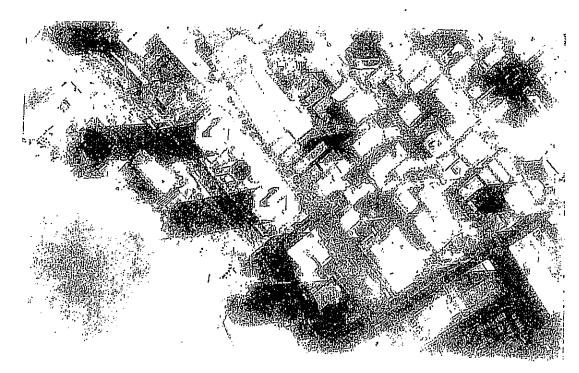
The project is between Kalakaua Ave. and Kuhio Ave and does not impact any "Significant Public Views" as defined in

"Significant Public Views"

133 Kalulani



Land Use Ordinance Section 21-9.80-1 Diamond Head / Punchbowl View Corridor Analysis 133 Kalulani



133 Kalulani Avenue

SITE ANALYSIS - PUNCHBOWL TO DIAMOND HEAD VIEW CORRIDOR 133 KAIULANI AVE Honolulu, Hawaii

11/23/15

Land Use Ordinance
Sec. 21-5.50-1
Violated Speedal District - Chiladeles

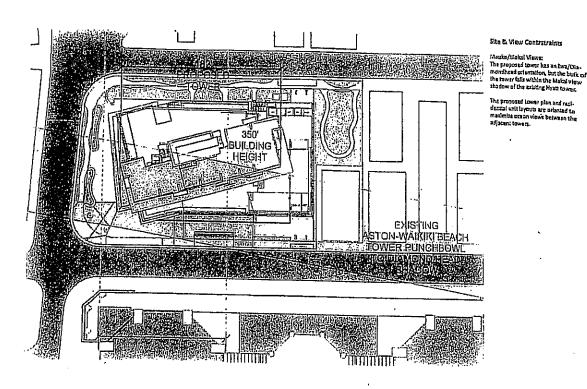
(I) Maintain a substantial view of Diamand Head from the Funchbowl Isokouts by controlling building heights in Walkiki that would implays on this wire contidor.



133 Kalulani Avenue

VIEW STUDY - PUNCHBOWL

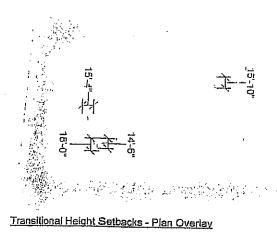
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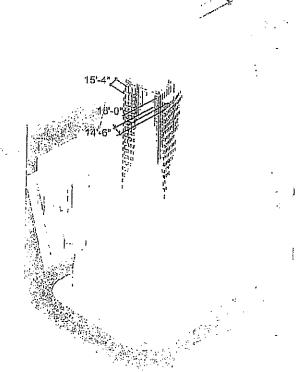
133 Kalulani Avenue Honolulu, Hawat

SITE ANALYSIS - BUILDING ORIENTATION 133 KAIULANI AVE Honolulu, Hawali

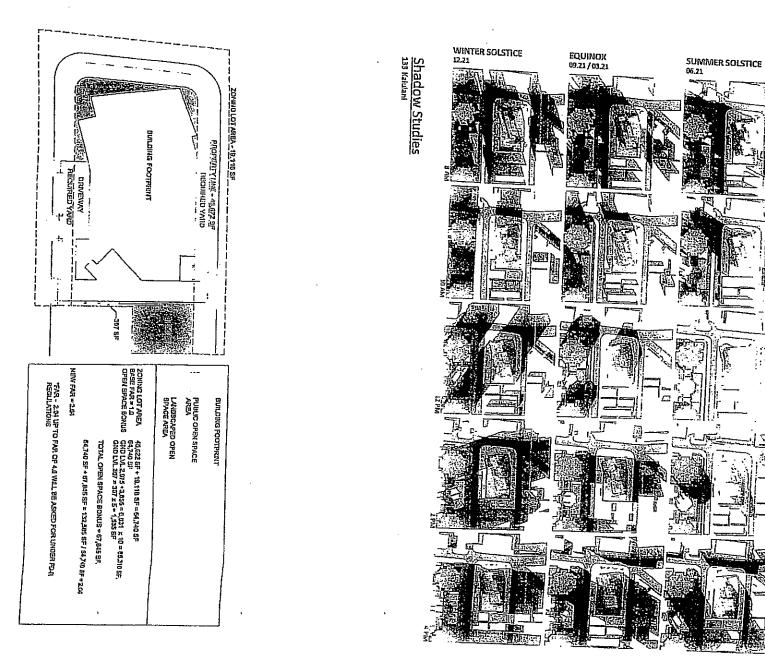
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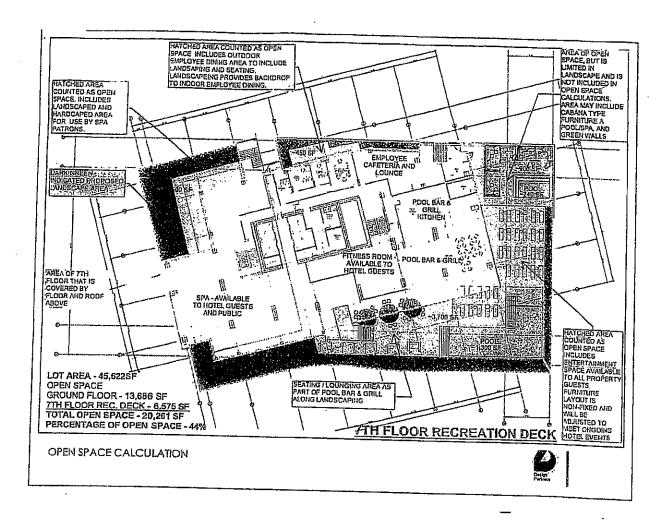


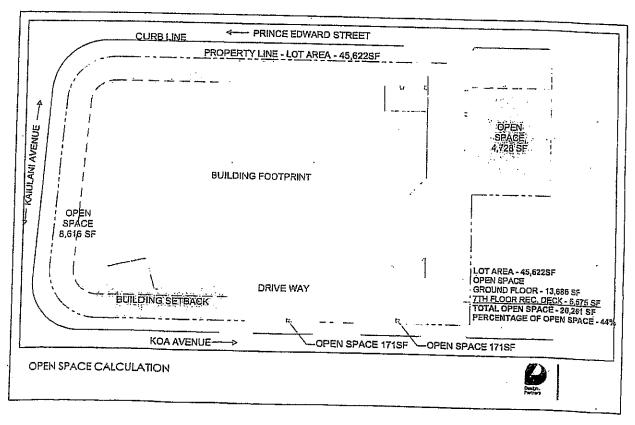
CURRENT DESIGN 2.2.2016

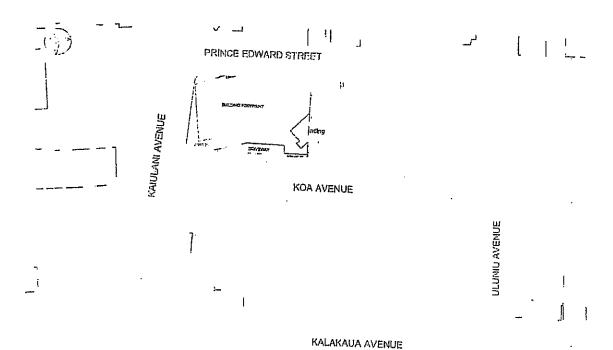


Transitional Height Setbacks - Building Envelope

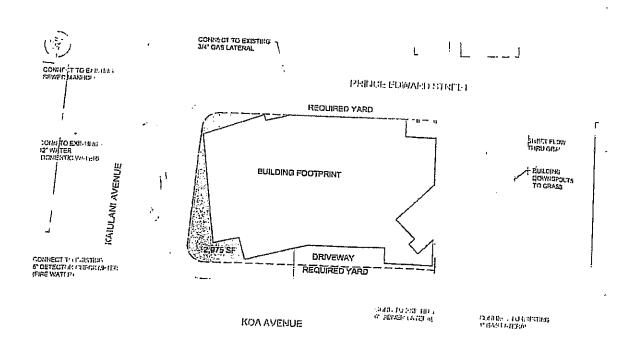




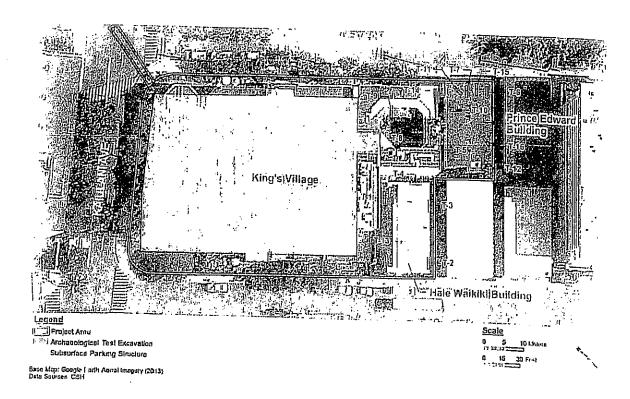




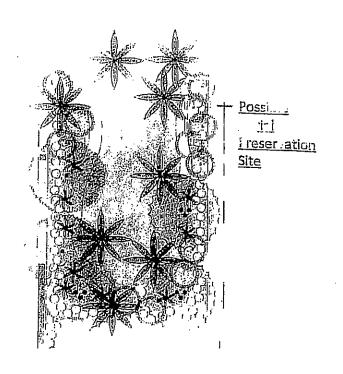
#### Vehicular Circulation - Overall



Utility Connections
133 Kajulani

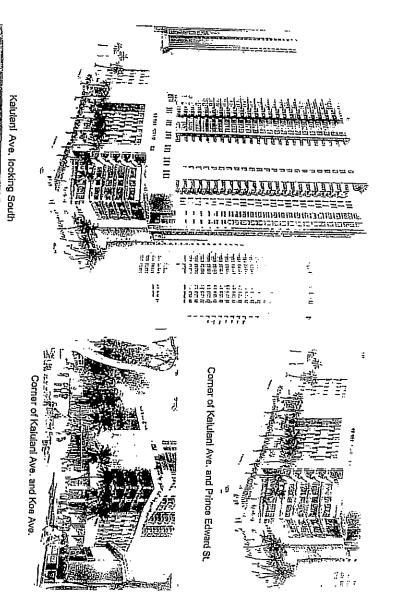


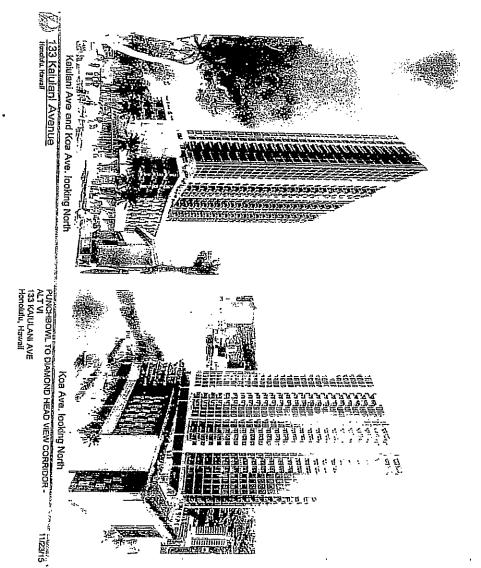
### Archaeological Considerations 133 Kalulani

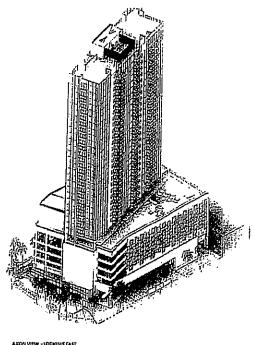


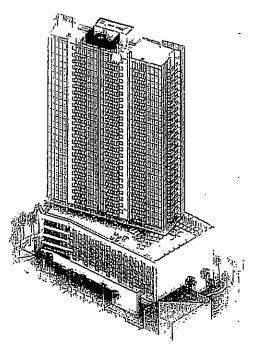
Burial Site (as selected by cultural descendants)

133 Kalulani Avenue Honoidu, Hawasi









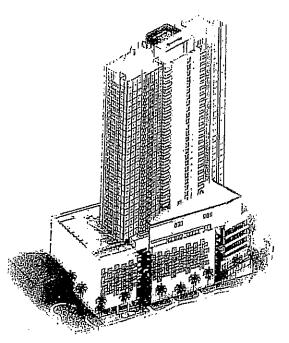
IZAT DEDICEL WITH HOEA

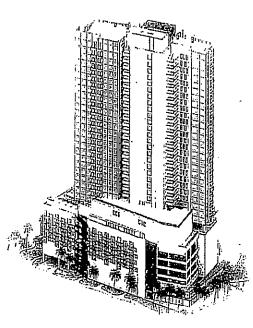
ANDN VIEW - LOCKERS MCKES



BUILDING AXONOMETRIC VIEWS 133 KAIULANI AVE Honolulu, Hawaii

11/23/15





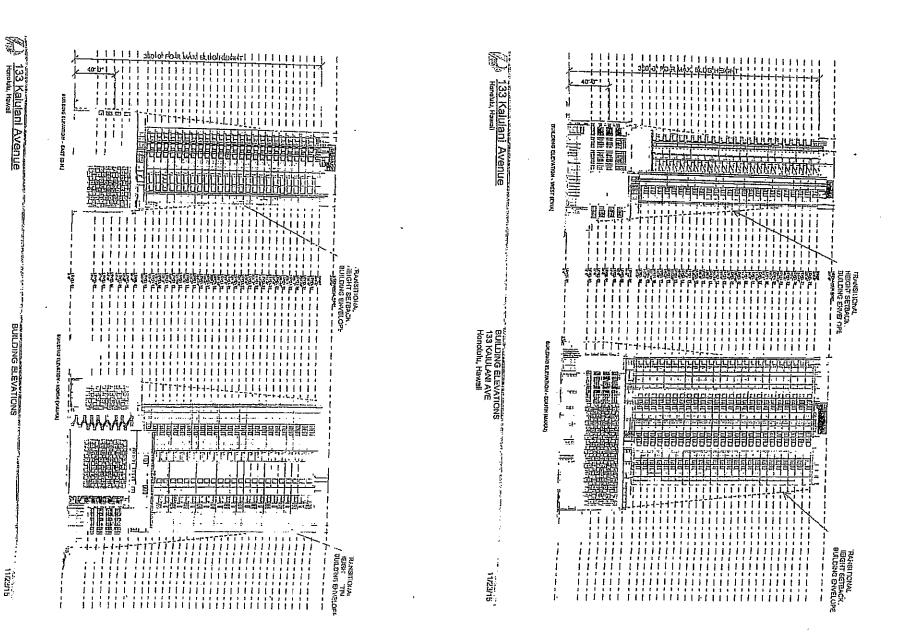
ANDWARD - TOOKING MILE

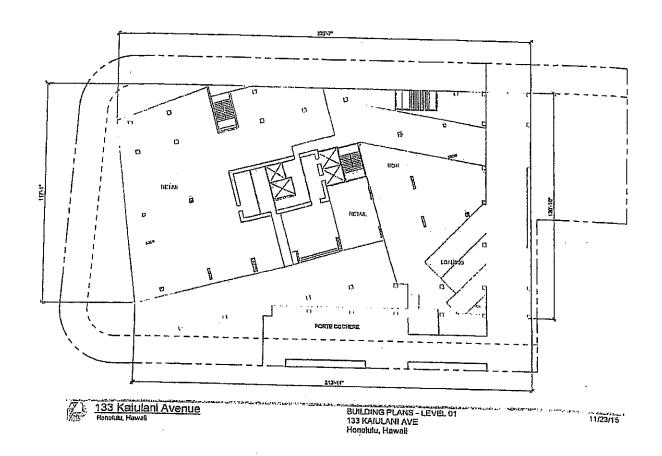
ADON VIEW - ECCY:NS LOID

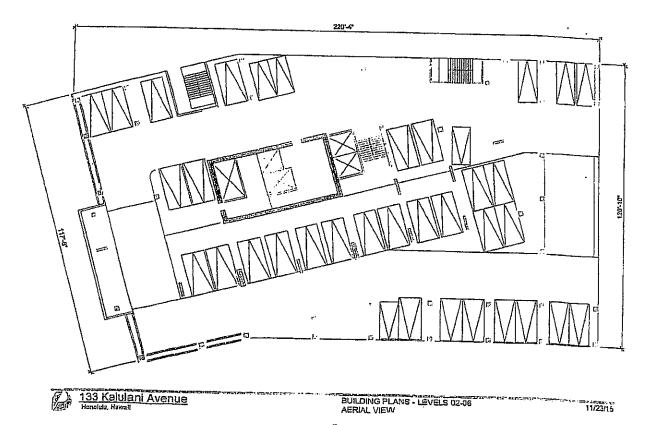


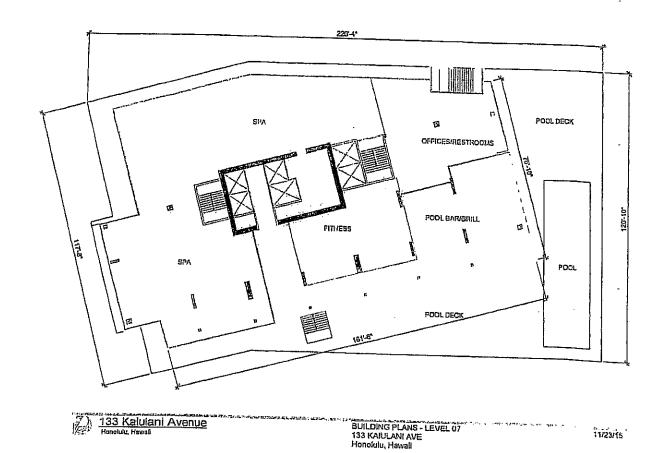
BUILDING AXONOMETRIC VIEWS

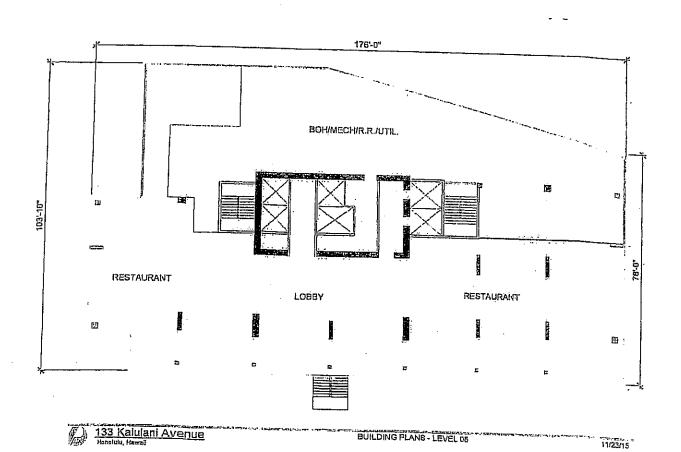
11/23/15

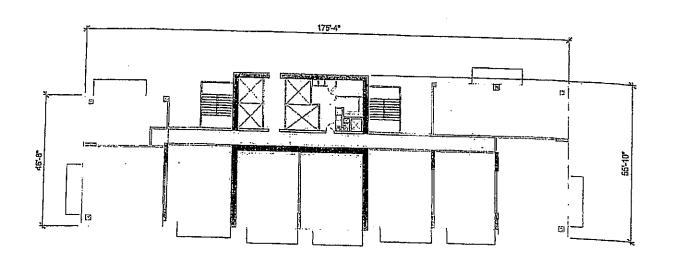












## BUILDING PLANS - TYPICAL TOWER 11/23/15

Honolulu, Hawaii 133 Kalulani AVE Honolulu, Hawaii

